

LESELI HUB (PTY) LTD

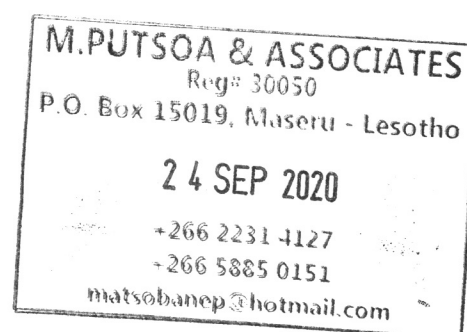
**ANNUAL FINANCIAL STATEMENTS
AS AT 31 MARCH 2020**

M. PUTSOA & ASSOCIATES
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LESELI HUB (PTY) LTD
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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LESELI HUB (PTY) LTD

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

The management is responsible for the preparation, integrity and fair presentation of the financial statements of LESELI HUB (PTY) LTD.

The annual financial statements have been audited by the independent Auditor, M Putsoa & Associates, which was given unrestricted access to all financial records and related data, including minutes of meetings of the board. The directors have belief that all representations made to the independent auditors were valid and appropriate. The report of the auditors is presented on the next page.

The annual financial statements for the year ended 31st March 2020 presented on pages 6 to 11 have been prepared in accordance with International Financial Reporting Standards. They are based on appropriate accounting policies which have been consistently applied and which are supported by reasonable and prudent judgment statements.

The Director are responsible for the Company's systems of internal controls. These are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements and to adequately safe guard, verify and maintain accountability of assets. These controls are monitored throughout by management and employees with the necessary segregation of authority and duties. Processes are in place to monitor internal controls, to identify material breakdowns and implement timely corrective action.

APPROVAL OF THE FINANCIAL STATEMENTS

The annual financial statements were approved by the board of directors on2020 and signed on their behalf by:

.....
Director

.....
Director



M Putsoa & Associates

Chartered Accountants and Business Consultants

Matsobane Putsoa B.A Economics (U.B.L.S), F.C.A (Lesotho)

P.O Box 15019
Maseru 100

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INDEPENDENT AUDITORS' REPORT

To the members of the LESELI HUB (Pty) Ltd

Opinion

We have audited the financial statements of LESELI HUB (Pty) Ltd which comprise the statement of financial position as at 31 March 2020, statement of comprehensive income, receipts and payments account and notes to the financial statements contained from page 1 to 6. In our opinion the financial statements present fairly, in all material respects the financial position of the Company as at 31 March 2020 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA's). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of the report below. We are independent of the Company in accordance with the International Ethics Board for Accountants' 'Code of Ethics for Professional Accountants (IESBA) Code' together with the ethical requirements that are relevant to our audit of the financial statements in Lesotho, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibility of Management and those charged with Governance of the Financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal controls as the management determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to the fraud or error.

In preparing the annual financial statements, Management is responsible for assessing the Business's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the business or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (Committee) are responsible for overseeing the Business's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism through the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This risk of not detecting a material misstatement resulting in from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Business's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the business's ability to continue as a going concern. If we conclude that

material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the due date of our auditor's report. However, future events or conditions may cause the school to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide with those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

M. Putsoa & Assoc
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M. Putsoa & Associates – Chartered Accountants
P Matsobane Putsoa (FCA) Lesotho

Membership No. 300303 of Lesotho Institute of Accountants
24th SEPTEMBER 2020



LESELI HUB (PTY) LTD

DIRECTORS' REPORT FOR YEAR ENDED 31 MARCH 2020

The Directors have the pleasure of presenting their report, which forms part of the financial statements, for the year ended 31 March 2020.

1. NATURE OF BUSINESS

The principal nature of the organization's business is to Advertising and marketing agency to the local companies and internationally.

2. MATERIAL CHANGES IN THE SCHEME

There are no material changes in the running of the Company.

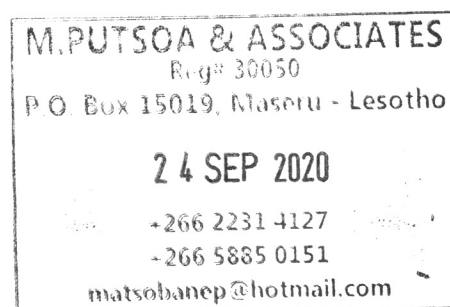
3. REVIEW OF RESULTS AND ACTIVITIES

The company is operating very well and very popular between the two directors. It is quite a viable business.

4. BOARD OF DIRECTORS COMMITTEE MEMBERS

The following were in office at the end of the year under review:

Mr. Matete Ntsukunyane
Mr. Lereko Majola



LESELI HUB (PTY) LTD
BALANCE SHEET AS AT 31ST MARCH 2020

	NOTES	2020	2019
NON CURRENT ASSETS		1,416,615	1,282,084
Fixed Assets	5	1,416,615	1,282,084
INVESTMENTS		186,399	198,000
CURRENT ASSETS		154,994	233,044
Accounts Receivable		140,460	140,460
Cash Resources		14,534	92,584
TOTAL ASSETS		1,758,008	1,713,128
EQUITY & LIABILITIES			
CAPITAL & RESERVES		1,375,855	1,279,708
Share Capital	7	84,000	84,000
Retained Income		392,515	296,368
Revaluation		899,340	899,340
NON CURRENT ASSETS		278,074	361,389
Term Loan		278,074	361,389
CURRENT LIABILITIES		104,080	72,031
Accounts Payable		-	-
Taxation		104,080	72,031
TOTAL EQUITY & LIABILITIES		1,758,008	1,713,128

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LESELI HUB (PTY) LTD
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

	NOTE	2020	2019
REVENUE	1.3		
Sales		822,943	609,274
COST OF SALES			-
GROSS PROFIT		822,943	609,274
LESS: ADMINISTRATION & OPERATING EXPENSES		694,748	575,632
Accounting Fees		3,400	5,600
Advertising & Promotion		1,900	1,650
Bank Charges		12,378	22,947
Consumables		-	-
Depreciation	4	65,686	84,823
Directors Fees		122,750	59,250
Fuel		25,880	19,340
Electricity & Water		-	-
General Expenses		11,850	18,556
Insurance		5,605	49,042
Interest		107,783	79,763
Leasing Charges		152,953	37,221
Licenses & Registration		-	-
Office Expenses		-	-
Printing & Stationery		65,337	93,844
Professional Fees		-	-
Rent & Rates		27,440	18,697
Repairs & Maintenance		15,650	8,280
Staff Welfare		3,290	4,710
Subscription		200	-
Telephone & Faxes		4,315	4,780
Transport		3,200	8,050
Wages & Salaries		65,131	59,080
NET PROFIT FOR THE YEAR		128,195	33,642
TAXATION		32,049	8,410
NET PROFIT AFTER TAXATION		96,146	25,231
RETAINED INCOME AT BEG. OF THE YEAR		296,368	271,137
RETAINED INCOME AT END OF THE YEAR		392,515	296,368

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LESELI HUB (PTY) LTD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31ST MARCH 2020

1 BUSINESS ACTIVITY

2020

2019

The principal activities of the business
is that of Printing Works and Advetising Agency

2 ACCOUNTING POLICIES

The Annual Financial Statements
have been prepared on the historical
cost basis and incorporate the
following principal Accounting Policies
which are consistent with those used
in the previous year.

3 REVENUE

822,943

609,274

The revenue of the business comprise of
Income from Construction Services
The net amount of invoices to customers

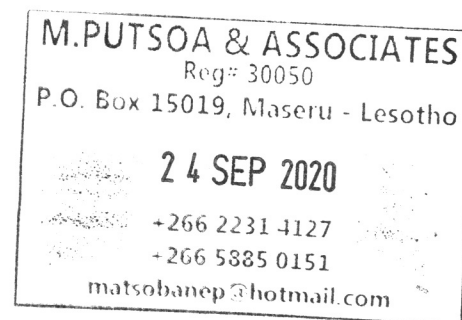
822,943

609,274

4 DEPRECIATION

The policy of the company is to depreciate the assets over the period which they have been
used to generate the income subject to tax. And it will be apportioned over the period the asset
Assets are depreciated using reducing balance method with the following rates

Office Furniture	10%
Motor Vehicles	25%
Plant & Equipment	20%



5 FIXED ASSETS

BILLBOARDS

	1,158,007	960,790
Cost	960,790	960,790
Addition	197,217	-

PLANT & EQUIPMENT

	12,248	15,310
Cost	43,200	43,200
Addition	-	-
Accumulated Depreciation	27,890	24,062
Depreciation	3,062	3,828

OFFICE FURNITURE

	87,733	94,482
Cost	134,692	134,692
Addition	3,000	-
Accumulated Depreciation	40,211	29,713
Current Depreciation	9,748	10,498

MOTOR VEHICLES

	158,627	211,502
Cost	376,000	376,000
Addition	-	-
Accumulated Depreciation	164,498	94,000
Depreciation	52,876	70,498

TOTAL ASSETS

	1,416,615	1,282,084
Cost	1,514,682	1,514,682
Addition	-	-
Accumulated Depreciation	232,598	147,775
Current Depreciation	65,686	84,823

6 SHARE CAPITAL

Authorised 1,000 Shares @ M12.03 each	84,000	84,000
Issued: 1,000 Shares @ M12.03 each	84,000	84,000

7 TERM LOAN

This loan was acquired to purchase the company Vehicles

278,074

361,389

8 CASH RESOURCES

The cash resource is the cash in hand and at bank as the end of the trading period



LESELLI HUB (PTY) LTD

Statement of changes in equity for the year ended 31 March 2020

	Issued capital M	Share Premium	Revaluation Reserve	Retained earnings M	Dividends M	Total equity M
Balance at 1 APRIL 2018	12,033	-	-	271,137	-	283,170
Changes in accounting policy	-	-	-	-	-	-
Restated balance	12,033			271,137	-	283,170
Changes in equity for the year 2019						
Issued Shares	71,967					71,967
Share Premium						-
Dividends						-
Income for the year				25,231		25,231
Revaluation gain			899,340			899,340
Balance at 31 MARCH 2019	84,000	-	899,340	296,369	-	1,279,709
Changes in equity for 2020						
Issued Shares						-
Share Premium						-
Dividends						-
Income for the year				96,146		96,146
Reserves						-
Balance at 31 MARCH 2020	84,000	-	899,340	392,515	-	1,375,855

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LESELI HUB (PTY) LTD**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2020****CASH FLOW FROM OPERATING ACTIVITIES****202,481**

Cash Generated by Operations
Finance Costs
Taxation Paid

301,664
99,183
-

CASH FLOW FROM INVESTING ACTIVITIES**(197,217)**

Call account
Acquisition of Assets
Proceeds on Disposal of Assets
Interest received

-
(197,217)

CASH FLOW FROM FINANCING ACTIVITIES**(83,315)**

Dividends
Acquisition of Loans
Repayment of Loans
Proceed from issue of members interest

83,315

Decrease in Cash and Cash Equivalents
Cash and Cash Equivalents at Beginning of the Year

(78,050)
92,584

Cash and Cash Equivalents at End of the Year

14,534



LESELI HUB (PTY) LTD
NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

<u>Cash Generated by Operations</u>	301,664
Net Profit Before Taxation	128,195
<u>Adjustments:</u>	
<i>Non-Cash Items</i>	65,686
Depreciation	65,686
<i>Items Shown Separately</i>	107,783
Finance Costs	107,783
interest receivable	
<i>Movements in Working Capital</i>	0
Increase in Inventory	
Decrease in Accounts Receivable	0
Increase in Accounts Payable	

